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Department of Agriculture -- FINAL SCORECARD 3RD QUARTER FY 2007



		Original (January 2002)		As of March 31, 2007		As of June 30, 2007		Proud to Be Target 7/1/07
	Initiative	Status	Progress	Status	Progress	Status	Progress	Status
	Human Capital							
	Competitive Sourcing							
	Financial Performance							
	E-Government							
	Budget/Perf. Integration							
	Real Property	NA	NA					
	Eliminating Improper Payments	NA	NA					
	Faith-based and Community Initiative	NA	NA					
	Improved Credit Program Management	NA	NA					

President's Management Agenda
Department of Agriculture -- FINAL SCORECARD 3RD QUARTER FY 2007

Current Status (As of June 30, 2007)		Progress in Implementing the President's Management Agenda	Comments
Initiative			
HUMAN CAPITAL Agency Lead: Boyd Rutherford, Assistant, Secretary for Administration Lead RMO Examiner: Kristi Kubista-Hovis OPM HC Officer: Lynn Matherly	 Green	 Yellow	<p>USDA will remain green for status but be upgraded to yellow in progress.</p> <p>USDA will be downgraded to red for progress if they do not submit national and state NRCS structure reports that are acceptable to both OPM and OMB. The submitted Natural Resources Conservation Service (NRCS) structure reports do not contain the required information necessary for an efficiency review.</p> <p>The Forest Service (FS) Region 2 did not transfer to Empower HR or submit the required set of deliverables for their structure report.</p> <p>The Farm Service Agency (FSA) did not provide an adequate explanation of what will be achieved using a contractor to complete their structure report.</p> <p>FSA has not gotten MIDAS off the management watch list.</p>
<p>Comprehensive human capital plan <u>✓</u> developed, etc. on Q1 FY07 <u>✓</u> results analyzed & used Q4 FY05 Organizational structures <u>✓</u> current structure analyzed and restructuring begun Q1 FY02 <u>✓</u> structure in place & addressing future challenges Q3 FY06 Succession strategies <u>✓</u> succession plan approved Q4 FY06 <u>✓</u> continuously updated talent pool assured Q3 FY07 Performance appraisal plans adhere to merit system principles, etc. <u>✓</u> SES & mgrs. Q3 FY04 <u>✓</u> beta site completed Q1 FY07 <u>✓</u> 60%+ of agency Q4 FY05 <u>✓</u> beta site expanded Q1 FY07 Under representation <u>✓</u> implemented strategies to address Q4 FY03 <u>✓</u> reduced & established process to sustain diversity Q4 FY05 Skill gaps <u>✓</u> workforce planning system implemented Q1 FY03 <u>✓</u> identifies and sets competency targets Q4 FY06 <u>✓</u> significant reduction in mission critical occupation gaps Q3 FY07 <u>✓</u> meets competency gap targets Q3 FY07 Improve Hiring <u>✓</u> collects data and sets standard Q4 FY06 <u>✓</u> meets standard Q3 FY07 <u>✓</u> meets target for improvement Q3 FY07 Accountability system and reviews <u>✓</u> system developed Q4 FY06 <u>✓</u> conducts reviews & takes corrective action Q4 FY06 <u>✓</u> provides annual report Q1 FY07</p>		<p><u>Actions Taken Since March 31st, 2007</u></p> <ul style="list-style-type: none"> Submitted bench strength and leadership competency results for PTB IV. Completed transfer of FS Regions 1 and 4 to Empower HR. Continued to implement expanded beta site improvement plan. Submitted updated GAP Analysis and Improvement Plan for IT by May 1, 2007. Submitted required Improve the Hiring Deliverables Submitted Measure Results Report for closing competency gaps in MCOs for agency specific, leadership, and HRM, including required charts. Submitted update on Accountability System activities. Submitted Action Plan addressing FHCS results. NRCS resubmitted their National structure report and FS provided a draft menu of organizational options. <p><u>Planned Actions for Q4 FY 2007</u></p> <ul style="list-style-type: none"> Provide revised NRCS headquarters and state structure report and begin implementing. Complete transfer of FS 2 & 5 to Empower HR. Send a copy of FSA contractor organizational study plan for national office and state office structures. Submit Progress report for IT competency gaps including updated MCO resource table and brief narrative of progress toward meeting planned deliverables. Submit Gap Analysis report and Improvement Plan for Acquisition Occupation. Submit Hiring Improvement strategy, quarterly hiring timeline chart. Complete FY07 accountability audits Provide the following FS organization structure deliverables: updated organizational criteria, analysis of program workload, efficiencies, and needs. <p><u>Planned Actions for Q4 FY 2007 (continued)</u></p> <ul style="list-style-type: none"> Submits competency gap targets and staffing projections for agency-specific MCOs and HRM positions including MCO resource and competency profile tables. Report the agency's strategy for implementing the Annual Employee Survey (AES). Provide evidence the agency is operating and hiring in a Career Patterns environment. Provide projected accountability audit schedule for FY08. 	





June 30, 2007

President's Management Agenda
Department of Agriculture -- FINAL SCORECARD 3RD QUARTER FY 2007

Current Status (As of June 30, 2007)		Progress in Implementing the President's Management Agenda	Comments
Initiative			
HUMAN CAPITAL Agency Lead: Boyd Rutherford, Assistant, Secretary for Administration Lead RMO Examiner: Kristi Kubista-Hovis OPM HC Officer: Lynn Matherly	 Green	 Yellow	<p>USDA will remain green for status and be upgraded to yellow for progress.</p> <p>The following is a list of missed deliverables: The Forest Service (FS) Region 2 did not transfer to Empower HR. The FS did not submit a list of interim strategies to manage current WO&RO workload, or a draft Leadership Action Plan. The Farm Service Agency (FSA) did not provide an adequate explanation of what will be achieved using a contractor to complete their structure report. FSA has not gotten MIDAS off the management watch list. The submitted Natural Resources Conservation Service (NRCS) structure reports do not contain the required information necessary for an efficiency review.</p> <p>USDA will be downgraded to red for progress if they do not submit national and state NRCS structure reports that are acceptable to both OPM and OMB.</p> <p>OMB commends the FS for creating a detailed set of organizational options. The information submitted to OMB does not provide a clear plan of action with specific deliverables and accountable leadership personnel, however, and OMB request FS to please submit documents containing this information as soon as possible if available.</p> <p>FSA requested to begin a new organizational study using a contractor with a targeted study completion of March 2008 and implementation beginning Q1 FY 08. OMB and OPM agree under condition of more explicit objectives, tightened timelines and implementation, contractor is on board in July, provides study plan September 1, 2007, and a copy furnished to OMB and OPM for Q4 deliverable.</p> <p>Planned Actions for Q4 FY 2007 (continued)</p> <ul style="list-style-type: none"> • Submits competency gap targets and staffing projections for agency-specific MCOs and HRM positions including MCO resource and competency profile tables. • Report the agency's strategy for implementing the Annual Employee Survey (AES). • Provide evidence the agency is operating and hiring in a Career Patterns environment. • Provide projected accountability audit schedule for FY08.



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President's Management Agenda
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Current Status (As of June 30, 2007)			Progress in Implementing the President's Management Agenda		Comments
Initiative					
COMPETITIVE SOURCING Agency Lead: Charles R. Christopherson Jr. <i>Chief Financial Officer</i> Jon Holladay <i>Acting Associate Chief Financial Officer</i> Lead RMO Examiner: Joe Montoni Lead OFPP Analyst: Mathew Blum	 Yellow  Next ↑ est. by <u>Q4</u> <u>FY07</u>	<u>Approved competition plan</u> <u>✓</u> "yellow" plan (9/03) <u>✓</u> "green" plan on (9/06) <u>Standard competitions</u> <u>✓</u> one completed OR announced one > "yellow" plan FTEs (9/03) <u>✓</u> announced in accordance with "green" plan schedule (G) (date) <u>✓</u> completed ≥ 90% in A-76 timeframe past 4 Qs (G) <u>Standard and streamlined competitions</u> <u>✓</u> at least 10 or sufficiently large completed since Jan. 2001 <u>✓</u> encourage participation by private and public sectors (Q1 2006) <u>✓</u> reviewed once implemented (Q3 2006) <u>Streamlined competitions completed in Circular timeframe</u> <u>✓</u> ≥ 75% during the past 2 Qs (6/30/04) <u>✓</u> ≥ 95% during the past 4 Qs (6/30/04) <u>Announced competitions cancelled</u> <u>✓</u> ≤ 20% in past two Qs (6/30/04) <u>✓</u> ≤ 10% in past year (6/30/04) <u>✓</u> Justifications for all commercial activities exempt from competition (12/31/04) Savings <u>✓</u> anticipated net savings for past 2 Qs (12/31/04) <u>✓</u> anticipated for past 3 Qs (Q2 2005) <u>✓</u> independently validated (G+) (date)	 Red 	<u>Actions Taken Since March 31st, 2007:</u> <ul style="list-style-type: none"> Prepared a common set of talking points to brief Congressional staff regarding the OCIO IT Study Continued to conduct regular program/performance reviews to ensure that studies are appropriately planned and executed and savings and performance targets are met and efficiencies achieved. OCFO completed two feasibility studies (see comment section). <u>Planned Actions for Q4 FY 2007:</u> <ul style="list-style-type: none"> Announce the results of the OCFO Financial Management Modernization Initiative competition. Announce results of web-posting and photography services competition. Conduct the following feasibility studies: Forest Service – Dispatch/Coordination and multi-function computer application development feasibility study; NRCS - Soil Conservation Evaluation and Analysis; REE mission-area – selected commercial code "B" functions. 	<p>USDA receives a downgrade in status and progress this quarter for failing to announce two competitions in accordance with the Department's green plan.</p> <p>OCIO Department-wide IT Study was not announced because USDA concluded it was not feasible to proceed in light of restrictions on RDA and farm loan programs.</p> <p>OCFO delayed a competition scheduled for announcement during this quarter.</p> <p>USDA has delayed issuance of final decision on web-posting and photography services competition pending analysis of potential restriction on use of competition at Forest Service.</p>



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President's Management Agenda
Department of Agriculture -- FINAL SCORECARD 3RD QUARTER FY 2007

	Current Status (As of June 30, 2007)		Progress in Implementing the President's Management Agenda		Comments
Initiative					
Financial Performance Agency Lead: Charles Christopherson, Jr. Chief Financial Officer Lead RMO Examiner: Kathleen Cahill Lead OFFM Analyst: William Mea	 Red Next ↑ est. by <u>Q1</u> <u>FY09</u>	GREEN STANDARDS ___ Meets all yellow standards (Q1 FY09) ___ Uses financial info to drive results in key areas (Q1 FY10) ___ Expands routine data use (Q1 FY10) ___ FFMIA compliance reported (Q1 FY10) ___ No repeat material auditor-reported internal control weaknesses (Q1 FY10) ___ No repeat material weaknesses in FMFIA Sec. 2 OFR and Sec. 4 (Q1FY10) YELLOW STANDARDS √___ Clean annual audit (9/30/02) √___ Meets reporting deadlines (<2001) √___ No chronic or significant Anti-Deficiency Act Violations (9/30/02) ___ No more than one repeat material auditor-reported internal control weakness (Q1FY08) √___ No material non-compliance with laws or regulations (9/30/04) ___ No more than one repeat material weakness in either FMFIA Sec. 2 OFR or Sec. 4 (Q1FY09)	 Green	<u>Actions Taken Since March 31, 2007:</u> <ul style="list-style-type: none"> Notified OMB of 2 ADA violations: <ul style="list-style-type: none"> Forest Service exceeded by \$18M its apportionment for aviation resources for fire suppression. Commodity Credit Corporation (CCC) violated its charter act by donating non-fat dry milk (NDM) to a private mill and used \$580K CCC funds not apportioned to transport NDM. Completed A-123 documentation and test plans for 5 of 8 mission areas. All Appendix A milestones completed. Continued Financial Data Integration Improvement (FDIP) Green Plan activities. Completed key milestones for County Offices, Financial Accounting & Reporting, Funds Control, and IT material weaknesses. Briefed OMB on progress for corrective actions plans (CAP) to resolve FY06 PAR deficiencies (auditor, FMFIA, & FFMIA). <u>Planned Actions for Q4 FY 2007:</u> <ul style="list-style-type: none"> Provide draft PAR management assurance section to OMB by 9/7/07. Submit letters to the President and Congress as required by the ADA. Complete corrective actions for FY06 PAR deficiencies and actions in Proud To Be. Submit component-level Certification Statements and CAPs for material weaknesses identified for A-123. Work with new areas to implement FDIP measures, establish baselines and targets. Submit Q3 FY 2007 financial statements. Continue Financial Management Modernization Initiative (FMMI) acquisition process. 	USDA remains Red for status and Green for progress. USDA has 2 repeat auditor-reported material weaknesses and 4 FMFIA weaknesses. <ul style="list-style-type: none"> USDA is making progress as planned and expects to close its Financial Accounting and Reporting auditor-reported material weakness this fiscal year. USDA expects to report resolving the remaining IT Security and Controls auditor weakness in the FY09 PAR. Progress for resolving FMFIA weaknesses is contingent upon the modernization of Farm Program Systems. OMB will continue to work with USDA on its corrective action plans, improving internal controls, and using financial data to drive results. USDA can maintain its Green progress rating by continuing to take actions resolve weaknesses and by achieving its Proud To Be V milestones. NRCS is proceeding with activities to allow for a full stand alone audit for FY2008. In addition, NRCS is reviewing significant obligated balances to improve timeliness of de-obligations. NRCS is reviewing obligation processes to improve funds control.



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President's Management Agenda
Department of Agriculture - FINAL SCORECARD 3RD QUARTER FY 2007

Initiative		Current Status (As of June 30, 2007)		Progress in Implementing the President's Management Agenda	Comments
<p>E-Government</p> <p>Agency Lead: Jerry Williams Acting Chief Information Officer</p> <p>Lead RMO Examiner:</p> <p>Kristi Kubista- Hovis</p> <p>Lead IT/E-Gov Analyst:</p> <p>Jasmeet Seehra</p>	 Yellow Next ↑ est. by Q4 FY08	<p>Enterprise Architecture <u>X</u> Has 4 in Completion and 3 in both Use and Results sections (Q207) (G) <u>X</u> Has 4 in Completion and 3 in Use or Results sections (Q206) (Y)</p> <p>Acceptable business cases for major systems <u>X</u> for more than 50% (Q207) ___ for all on ()</p> <p>Cost/schedule/performance adherence for major IT <u>X</u> overruns/shortfalls < 30% (12-31-04) ___ EVMS shows overruns/ shortfalls <10% (Q408)</p> <p>Security of all IT systems <u>X</u> 80% secured or IG verifies effectiveness (Y) (9-30-04) <u>X</u> 90% secured (G) (9-30-04) ___ IG or Agency Head verifies effective & rates certification as Satisfactory (G)</p> <p>E-Gov implementation <u>X</u> has process & plan (6-30-07) <u>X</u> has implemented (6-30-07)</p> <p>MAINTAINING GREEN ___ all IT systems secure ___ IT systems installed in accordance with security configurations ___ Privacy Impact Statements for 90% of applicable systems ___ 90% of systems w/personally ID info have system of records</p>	 Yellow	<p><u>Actions Taken Since March 31st, 2007</u></p> <ul style="list-style-type: none"> USDA has submitted their quarterly FISMA report. USDA has 5 business cases on the management watch list. USDA posted 100% of their discretionary grant applications to grants.gov <p><u>Planned Actions for Q4 FY 2007</u></p> <ul style="list-style-type: none"> Continue to post 100% of the discretionary grant applications to grants.gov Continue remediation activities to improve 07 business cases on the Management Watch list. Provide OMB with the status of each investment on the Management Watch list. Submit quarterly FISMA report. Submit a quarterly high-risk report as required by OMB M05-23. Agencies should submit a draft Exhibit 53 by no later than August 6, 2007, through ITWeb. Agency Senior Agency Official for Privacy certifies compliance with the requirements of OMB memorandum M-07-16. (This can be done as an email to the RMO) 	<p>USDA will maintain yellow for status, and yellow for progress.</p> <ul style="list-style-type: none"> USDA will not meet their Q307 Proud to Be goal due to not meeting the "green" standard for security. USDA indicates in their PTB5 draft that they will not be green until Q4FY08. USDA remains yellow for the security criteria due to security methodology question concerns from the IG. In addition to MIDAS, the additional business cases on the management watch list had a category B apportionment footnote place on them this spring. To meet the green status standards for EVM, USDA must meet all requirements in OMB Memorandum M-04-24 and meet with Karen Evans Before this meeting can be scheduled, USDA must provide information to demonstrate full implementation of EVM for major systems development, the use of EVM data by senior leadership for management and program oversight, and how actual performance is within 10% of goals.



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Department of Agriculture - FINAL SCORECARD 3RD QUARTER FY 2007

Initiative		Current Status (As of June 30, 2007)		Progress in Implementing the President's Management Agenda	Comments
Budget & Performance Integration Agency Lead: Scott Steele Lead RMO Examiner: Noah Engelberg Lead BPI Analyst: James Hurban	 Green	Improved results/use of perf info <u>X</u> performance info used (ongoing) <u>X</u> plan in place to improve performance (ongoing) ___ achieves plan (G+) Strategic and annual plans <u>X</u> limited # of goals & use PART measures (9/03) <u>X</u> AND focus on info used in senior mgmt. report (ongoing) Cost of achieving performance goals <u>X</u> full cost reported (9/03) <u>X</u> AND marginal cost reported (9/03) ___ uses marginal cost analysis to inform resource allocations (date) (G+) At least one efficiency measure per PARTed program <u>X</u> for ≥50% (6/30/04) <u>X</u> for all (6/30/06) Use of PART ratings <u>X</u> to justify requests, etc. and hold program managers accountable (9/04) <u>X</u> direct improvements justify requests, etc. (9/06) % of PARTed programs rated Results Not Demonstrated for 2 yrs in a row <u>X</u> less than 10% (12/06) (G) <u>X</u> no more than 50% (date) (9/04)	 Green	<u>Actions Taken Since March 31st, 2007</u> <ul style="list-style-type: none"> USDA completed all 10 of its PARTS for the current fiscal year. The 2nd Quarterly report was provided to the Deputy Secretary and Subcabinet officials. USDA developed and distributed Internal Scorecard for the third quarter of FY 2007. USDA referenced PARTS where appropriate in testimony and Q's &A's. <u>Planned Actions for Q4 FY 2007</u> <ul style="list-style-type: none"> USDA will work with OMB to revise Budget numbers for all PARTs. USDA will finalize performance data in order to keep Green. USDA will submit its FY 2009 budget, in total and for all agencies on time. The USDA submission will be at the target level and supported by sound and thorough analysis and performance data. Agencies with green status will demonstrate that they meet the Maintaining Green criteria and provide examples of improved performance and the management steps taken to achieve that improvement on "results.gov." 	USDA maintains its green for status and green for progress. <ul style="list-style-type: none"> To maintain its green status, USDA must continue to meet the specified milestones agreed to in the Forest Service efficiency measure document that helps guide the agency to create an acceptable efficiency measure. USDA agencies are expected to provide requested evidence and support necessary in determining PART answers. USDA will continue to work with OMB to develop a new schedule for on-going reporting of WIC performance and budget data. In addition to regular monthly performance data reporting, USDA will provide a complete re-estimate of WIC funding needs an additional three times per year. USDA needs to ensure that the list of agency program managers is current for all PARTS.



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Real Property Agency Lead: Boyd Rutherford, Assistant Secretary for Administration Glenn Haggstrom, Real Property Officer Lead RMO Examiner: John Pasquantino Lead OFFM Analyst: Angela Donatelli	 Yellow Next ↑ est. by <u>Q2 '08</u>	<ul style="list-style-type: none"> Asset management plan (AMP) <ul style="list-style-type: none"> ✓ in place by <u>Q2 '06</u> ✓ consistent with Federal Real Property Council (FRPC) standards by <u>Q2 '06</u> ✓ OMB-approved by <u>Q2 '06</u> ✓ 3 year timeline for meeting plan goals/objectives by <u>Q2 '07</u> ___ evidence that plan is being implemented to achieve improved real property management by <u>Q4 '07</u> Accurate and current inventory <ul style="list-style-type: none"> ✓ in place by <u>Q3 '04</u> ✓ consistent with FRPC standards by <u>Q3 '04</u> ✓ provided to govt.-wide real property database by <u>Q1 '07</u> ___ used in daily management decision-making by <u>Q2 '08</u> Real property performance measures <ul style="list-style-type: none"> ✓ in place by <u>Q3 '04</u> ✓ consistent with FRPC standards by <u>Q1 '06</u> ___ used in daily management decision-making by <u>Q2 '08</u> ___ Evidence that real property management is consistent with agency strategic plan, AMP, and performance measures by <u>Q2 '08</u> 	 Green	<u>Actions Taken Since March 31, 2007</u> <ul style="list-style-type: none"> Analyzed the FY 06 baseline performance measure data and established interim year targets and out-year goals. Expanded the disposal list based on the availability of additional information developed through analysis of performance data Submitted disposal actions to be completed in FY 07. Completed strategy for reducing the backlog of deferred maintenance. Provided comments on the DOL initiated draft Interagency Agreement to update management of CCC properties. Reported required data in compliance with FRPC data call in support of Section 408 (DC Lands Act) reporting. <u>Planned Actions for Q4 FY 2007</u> <ul style="list-style-type: none"> Meet all milestones in the Proud to Be 5 and three year timeline document. Complete any necessary revisions to CPAIS to meet FRPC FY 07 guidance and FRPP reporting. Implement deferred maintenance strategy and report on efforts to expand CPAIS to capture work functions (agency implementation plans will be due Q1 '08). Provide OMB with final draft IA on Job Corps, highlighting any remaining areas of interagency disagreement. Expand the USDA data validation and verification protocols to ensure that data captured in CPAIS (and agency systems) is accurate and that data is successfully transferred to the FRPP. Establish FY 08 disposal target (number and value). 	USDA remains Yellow in status and is Green for Progress. USDA was able to successfully provide all agreed-upon deliverables this quarter. <ul style="list-style-type: none"> USDA submitted required data on both excess assets and assets available for sale. OMB has asked agencies to capture the real property unique identification number of assets available for sale and operating costs for both excess and for sale assets. USDA is beginning the implementation of a coordinated strategy to manage the agencies deferred maintenance backlog. Meeting the identified milestones in both the deferred maintenance strategy and the three year timeline are critical next steps in demonstrating continued progress. USDA is working, in coordination and collaboration with DOL and DOI, to update the Interagency Agreement which guides the management of Civilian Conservation Centers utilized for training under the Job Corps program. USDA will reach a green status upon 1) demonstration of agency-wide use of real property data to drive decisions related the acquisition, utilization, and disposal of real property assets and 2) presentation of a report on costs, condition, utilization and disposal of real property assets



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	Current Status (As of June 30, 2007)	Progress in Implementing the President's Management Agenda	Comments
Initiative			
<p>Eliminating Improper Payments</p> <p>Agency Lead: Charles Christopherson, Jr. Chief Financial Officer</p> <p>Lead RMO Examiner: Kathleen Cahill</p> <p>Lead OFFM Analyst: Sally Clark Beecroft</p>	<div style="text-align: center;">  Yellow </div> <div style="text-align: center;"> Next ↑ est. by <u>Q3'08</u> </div> <ul style="list-style-type: none"> • <u>√</u> Risk assessment in place that identifies all risk susceptible programs by <u>Q3 '05</u> (Y) • <u>√</u> Measurement plan for risk susceptible programs in place and OMB-approved by <u>Q3 '05</u> (Y) • <u>√</u> Corrective action plan with OMB-approved reduction targets in place by <u>Q3 '05</u> (Y) • <u>√</u> Meets reporting requirements as of <u>Q1 '05</u> (Y) • <u> </u> Evidence that improper payment reduction targets are being met by <u>Q3'08</u> (G) • <u> </u> Recovery targets in place and evidence that targets are being met by <u>Q3'08</u> (G) 	<div style="text-align: center;">  Green </div> <p><u>Actions Taken Since March 31, 2007</u></p> <ul style="list-style-type: none"> • Submitted FY07 corrective action plans and error rates for 4 of 6 agencies accounting for 4 of 15 high risk programs. • Provided status update briefing for OMB on the results of the enhanced internal controls for the Farm Service Agency programs (to demonstrate improvement in the programs that reported the large increases in improper payments in the FY06 PAR.) • Food Stamp Program error rate increased slightly to 5.99% from 5.84% but is not considered statistically significant. <p><u>Planned Actions for Q4 FY 2007</u></p> <ul style="list-style-type: none"> • Submit remaining corrective action plan for Farm Service Agency/Commodity Credit Corp. programs and Food and Nutrition Service programs, as well as the draft of the IPIA portion of the PAR. • Submit a written determination for each reporting program as to whether or not recovery targets are applicable. • Work with OMB and USDA OGC to determine whether Marketing Assistance Loan Program lien searches performed before the loan application date represent improper payments. • Provide update to OMB on FY07 recovery auditing efforts. 	<p>USDA will maintain yellow for status, and green for progress.</p> <ul style="list-style-type: none"> • USDA needs to provide timely updates to OMB when internal USDA timelines change impacting deliverables listed in the PTB and/or scorecard. • Critical next step: to demonstrate that the documentation and internal control failures at the field level have been corrected. • School Lunch/Breakfast programs will report in the FY07 PAR. WIC and CACFP reported component rates in the FY06 PAR, and will report additional component rates in the FY07 PAR. • Rural Development submitted legislation allowing access to the new hire database and IRS data to improve the operation of the multi-family housing program. OMB put this legislation on hold until resolution is reached on issues of access to IRS data with the Pell grant program. • The FSA corrective action plans were delayed due to conducting staff training and use of internal rather than contractor staff to measure, report, and correct errors. • The Food Stamp CAP remains unchanged from last year. • 2 of 4 programs reflected error rates higher than targets. Significant amount of errors are related to missing documentation which agencies continue to pursue, that may lead to reductions in error rates.



June 30, 2007

President's Management Agenda
Department of Agriculture - FINAL SCORECARD 3RD QUARTER FY 2007

Initiative		Current Status (As of June 30, 2007)		Progress in Implementing the President's Management Agenda	Comments
<p>Faith-based and Community Initiative</p> <p>Agency Lead:</p> <p>Therese Lyons</p> <p>Lead OMB Examiner:</p> <p>Jennifer Bell</p>	 Green	<ul style="list-style-type: none"> Coordinated outreach & technical assistance <u>x</u> developed comprehensive strategy employing 6 of 10 best practices <u>x</u> fully implemented, employing all 10 best practices Barrier free access <u>x</u> taken steps to ensure barrier free access including 6 of 10 best practices <u>x</u> monitors State compliance, including all 10 best practices, addresses violations promptly Participation by FBOs/CBOs <u>x</u> established procedures to collect data on participation in select programs <u>x</u> collects accurate and timely data, working to expand collection to formula programs and make data available to the public. Pilot Projects <u>x</u> projects implemented <u>x</u> expands the use of pilots to test new strategies when appropriate Evaluation <u>x</u> has reported outcome-based evaluations of existing pilot projects. <u>x</u> builds outcome-based evaluations into new pilots, reports progress to WHOFBCI in a timely manner and considers the initiative in designing broader evaluations. Individual Choice <u>x</u> identifies candidate grant programs for expansion of individual choice, and develops and has begun to implement plan for conversion. 	 Green	<p><u>Actions Taken Since March 31st, 2007</u></p> <ul style="list-style-type: none"> Successfully completed all deliverables in accordance with its planned actions set forth in its Proud To Be IV Goals. Most notable, Evaluation of Pilot Programs: Three evaluations completed, and three evaluations in progress. Prepared a target list of programs for Fiscal Year 2008 for both discretionary and formula and block grant accounts to expand grassroots efforts <p><u>Planned Actions for Q4 FY 2007:</u></p> <ul style="list-style-type: none"> CSREES, FAS, FNS, RD will make first submission of FY 2007 data on federal discretionary award programs. CSREES will continue its work on assessing the role that faith-based and community organizations play as partners in its Children, Youth and Families at Risk program FAS in collaboration with USDA FBCI staff office will develop an informational web-based tool (e.g., FAQ's, list of resources available) to educate faith-based and community organizations on federally-funded Food Aid programs. FNS will fund a third FBCI pilot program featuring a new partnership between a State agency and a faith-based or community-based organization through its Food Stamp Program Participation Grant program. RD will sponsor the first of two regional technical assistance workshops for faith-based and community organizations on how to apply for funding under the RD programs relevant to their social services activities. RD will continue work on regulatory changes to remove barriers to competition and on reducing barriers to free access in its Business and Industry programs. RD will submit an updated strategic outreach and technical assistance plan . 	<p>USDA will maintain green for status, and green for progress.</p> <p><u>Ongoing Deliverables</u></p> <p>All relevant agencies and staff office will continue to:</p> <ul style="list-style-type: none"> conduct outreach and technical assistance activities -- both in person and via websites -- to engage more FBCOs in USDA programs and to assist them in carrying out their work more effectively. provide funding data and other information to WHOFBCI as requested. submit "Stories of Lives Transformed" to USDA FBCI. carry-out program and evaluation activities for all approved pilot projects. <p><u>NOTE</u></p> <ul style="list-style-type: none"> The FNS pilot program is dependent upon receiving an eligible and quality application in the FY 2007 grant competition so that funds may be awarded. The RFA for that competition included language encouraging a new partnership between a State agency and a faith-based or community-based organization.) Awaiting approval and issuance of control number from OMB for Rural Development's 'Equal Treatment Voluntary Survey.' Once this approval is granted, RD can send survey to FBCO's."

June 30, 2007

President's Management Agenda
Department of Agriculture - FINAL SCORECARD 3RD QUARTER FY 2007

	Current Status (As of June 30, 2007)		Progress in Implementing the President's Management Agenda		Comments
Initiative					
Improved Credit Program Management Agency Lead: Charles Christopherson, Jr., Chief Financial Officer Jon Holladay, Acting Associate Chief Financial Officer Lead RMO Examiner: Jennifer Bell Lead Credit Analyst: Sarah Lyberg	 Red Next ↑ est. by (tbd)	<ul style="list-style-type: none"> Defines target borrower segments <input checked="" type="checkbox"/> serves target borrowers ___ establishes and monitors risk standards Establishes or verifies sound lending policies and procedures <input checked="" type="checkbox"/> effective transaction approval processes ___ effective loan portfolio management ___ effective loss recovery processes Establishes or verifies sound collateral valuation processes ___ implemented policies and procedures Maintains effective management information reporting ___ identified and substantiated risk indicators ___ implemented Controls costs ___ established current cost estimates ___ established benchmarks and goals ___ reaches goals Debt Collection Improvement Act ___ compliance Customer Satisfaction ___ meets or exceeds industry standards 	 Red ↓	<u>Actions Taken Since March 31st, 2007</u> <ul style="list-style-type: none"> Scheduled/canceled/rescheduled meetings to present USDA current collateral and vendor management strategies to OMB to address yellow criteria. Submitted draft of PTB V at the end of the quarter, but failed to have a meeting with OMB during the quarter to ensure that the necessary elements for all criteria are incorporated into the document and to allow milestones and achievements to be critiqued and improved. DCIA milestones were met. <u>Planned Actions for Q4 FY 2007</u> <ul style="list-style-type: none"> Finalize the draft PTB document. This will now be the PTB V for FY 2008, which will include having a meeting with OMB, no later than July 15th, to discuss the PTB. Discuss with OMB USDA's current collateral and vendor management strategies. Risk Management: risk-factors and cash flow models will be evaluated and a plan to improve them will be implemented. Debt Collection Improvement Act Compliance <ul style="list-style-type: none"> <u>June 2007</u> – Administrative Wage Garnishment is implemented. RD will develop baseline costs per loan. 	USDA will maintain red for status, and drop to red for progress. <ul style="list-style-type: none"> USDA has been continuously working with OMB. However, some of the requirements for yellow and green status may require changes in their procedures and information gathering, which take time. As a result, they are expected to remain red on status even while achieving their goals on progress each quarter.

June 30, 2007